

[Unapproved and Subject to Change]
CALIFORNIA FAIR POLITICAL PRACTICES COMMISSION
MINUTES OF MEETING, Public Session

October 11, 2007

Call To Order: Chairman Ross Johnson called the meeting to order at 10:00 a.m., at 428 J Street, Eighth Floor, Sacramento, California. Chairman Johnson, Commissioners Gene Huguenin, Bob Leidigh, and Timothy A. Hodson were present. Commissioner Ray Remy was absent.

Before moving on to the agenda items, Chairman Johnson announced that Item #3 and Item #6(a), #6(b), and #6(h) were being removed from the agenda.

Item #1 - Public Comment. This portion of the meeting is reserved for comment on items not on the agenda. Under the Bagley-Keene Open Meeting Act, the Commission cannot act on items raised during public comment, but may respond briefly to statements made or questions posed, request clarification, or refer the item to staff.

Chairman Johnson asked if there was anyone in the audience who had any comments to make to the Commissioners. There was no public comment.

Item #2 - Approval of the September 12, 2007, Commission meeting minutes. Moved by Commissioner Leidigh and seconded by Commissioner Huguenin to approve the September 12, 2007, Commission meeting minutes.
AYES: Commissioners Huguenin, Leidigh, Hodson, and Chairman Johnson.
The motion passed 4-0.

Item #3 - In the Matter of Phillip Cox, Committee to Elect Phil Cox, and Ralph Anderson, FPPC No. 04/508. Staff: Commission Counsel Jesse Mainardi and Investigator III Leon Nurse-Williams. Respondent Phillip Cox was elected to the Tulare County Board of Supervisors on November 2, 2004. Respondents Phillip Cox, his controlled committee, Committee to Elect Phil Cox, and its treasurer, Ralph Anderson, failed to timely file a semi-annual campaign statement on August 2, 2004, in violation of Government Code Section 84200(a) (1 count). Respondents also failed to timely file a pre-election campaign statement on October 5, 2004, in violation of Government Code Sections 84200.5(b) and 84200.7(b) (1 count). Total proposed penalty: \$4,000.

This item was removed from the agenda.

Item #4 - In the Matter of Ralph DeMarco, FPPC No. 06/607. Staff: Political Reform Consultant Jeanette Turvill. Ralph DeMarco, City of Del Mar Finance Committee member, failed to timely file his 2005 annual statement of economic interests in violation of Government Code Section 87300 (1 count).

Moved by Commissioner Leidigh and seconded by Commissioner Huguenin to approve a decision and order finding a violation of one count and a \$100 monetary penalty.

AYES: Commissioners Huguenin, Leidigh, Hodson, and Chairman Johnson.

The motion passed 4-0.

Item #5 - Failure to Timely File Major Donor Campaign Statements. Staff: Chief Investigator Sue Straine and Political Reform Consultant Sandy Johnson. The following entity has entered into a stipulation for failing to file major donor campaign statements that were due during calendar years 2004, 2005 and 2006, in violation of Government Code Section 84200:

- a. **In the Matter of West Valley MRF, FPPC No. 07/415.** West Valley MRF, of Fontana, failed to timely file semi-annual campaign statements disclosing contributions totaling \$35,250 that were due in 2004, 2005 and 2006 (4 counts).

Moved by Commissioner Leidigh and seconded by Commissioner Huguenin to approve a decision and order finding a violation of four counts and a \$1,600 monetary penalty.

AYES: Commissioners Huguenin, Leidigh, Hodson, and Chairman Johnson.

The motion passed 4-0.

Item #6 - Failure to Timely File Late Contribution Reports – Proactive Program.

Staff: Chief Investigator Sue Straine and Political Reform Consultant Sandy Johnson.

The following persons have entered into a stipulation for failure to file a late contribution report in 2006 in violation of Government Code Section 84203:

- a. **In the Matter of Milstein, Adelman & Kreger, LLP, FPPC No. 07/295.** Milstein, Adelman & Kreger, LLP, of Santa Monica, failed to timely disclose late contributions totaling \$16,500 (4 counts). Total proposed penalty: \$2,475.

This item was removed from the agenda.

- b. **In the Matter of Sean M. McAvoy, FPPC No. 07/473.** Sean M. McAvoy, of Hillsborough, failed to timely disclose a late contribution totaling \$22,300 (1 count). Total proposed penalty: \$3,345.

This item was removed from the agenda.

- c. **In the Matter of Lisa Barkett, FPPC No. 07/474.** Lisa Barkett, of La Jolla, failed to timely disclose late contributions totaling \$15,600 (2 counts).

Moved by Commissioner Leidigh and seconded by Commissioner Huguenin to approve a decision and order finding a violation of two counts and a \$2,340 monetary penalty.

AYES: Commissioners Huguenin, Leidigh, Hodson, and Chairman Johnson.

The motion passed 4-0.

- d. In the Matter of Baker Keener & Nahra LLP, FPPC No. 07/483.** Baker Keener & Nahra LLP, of Los Angeles, failed to timely disclose a late contribution totaling \$10,000 (1 count).

Moved by Commissioner Leidigh and seconded by Commissioner Huguenin to approve a decision and order finding a violation of one count and a \$1,500 monetary penalty.

AYES: Commissioners Huguenin, Leidigh, Hodson, and Chairman Johnson.

The motion passed 4-0.

- e. In the Matter of Richard S. Ackerman, FPPC No. 07/489.** Richard S. Ackerman, of Beverly Hills, failed to timely disclose a late contribution totaling \$10,000 (1 count).

Moved by Commissioner Leidigh and seconded by Commissioner Huguenin to approve a decision and order finding a violation of one count and a \$1,500 monetary penalty.

AYES: Commissioners Huguenin, Leidigh, Hodson, and Chairman Johnson.

The motion passed 4-0.

- f. In the Matter of Z. Paul Akian, FPPC No. 07/503.** Z. Paul Akian, of Valencia, failed to timely disclose a late contribution totaling \$10,000 (1 count).

Moved by Commissioner Leidigh and seconded by Commissioner Huguenin to approve a decision and order finding a violation of one count and a \$1,500 monetary penalty.

AYES: Commissioners Huguenin, Leidigh, Hodson, and Chairman Johnson.

The motion passed 4-0.

- g. In the Matter of Peter L. Briger, Jr., FPPC No. 07/512.** Peter L. Briger, Jr., of New York, New York, failed to timely disclose a late contribution totaling \$10,000 (1 count).

Moved by Commissioner Leidigh and seconded by Commissioner Huguenin to approve a decision and order finding a violation of one count and a \$1,500 monetary penalty.

AYES: Commissioners Huguenin, Leidigh, Hodson, and Chairman Johnson.

The motion passed 4-0.

- h. In the Matter of Ross A. Jaffe, FPPC No. 07/547.** Ross A. Jaffe, of Atherton, failed to timely disclose late contributions totaling \$31,600 (3 counts). Total proposed penalty: \$4,740.00.

This item was removed from the agenda.

Item #7 - Prenotice Discussion of Amendments to Regulation 18531.61 – Net Debt.

Staff: Senior Commission Counsel Hyla P. Wagner and General Counsel Scott Hallabrin.

Staff proposed amending Regulation 18531.61 to (1) codify existing advice that a committee may raise funds after the election to pay for the costs of a recount, and (2)

specify that a committee shall use funds on hand after the election to pay outstanding debt.

Moved by Commissioner Hodson and seconded by Commissioner Leidigh to publish notice of the proposed amendments to Regulation 18531.61, as modified.

AYES: Commissioners Huguenin, Leidigh, Hodson, and Chairman Johnson.

The motion passed 4-0.

Item #8 - Prenotice Discussion of Proposed Regulation 18421.5. Staff: Senior Commission Counsel Lawrence T. Woodlock and General Counsel Scott Hallabrin. Staff proposed adoption of Regulation 18421.5 to codify longstanding advice on the separate disclosure of expenditures and associated independent expenditures.

Chairman Johnson asked staff to prepare and present another draft at the next Commission meeting.

Item #9 - Adoption of Proposed Regulation 18200 – Definition of “Section” and “Regulation.” Staff: Executive Director Michael Salerno. Staff presented the proposed regulation, which would add the terms “section” and “regulation” to the definitions found in the Commission’s regulations.

Moved by Commissioner Hodson and seconded by Commissioner Leidigh to adopt the regulation as proposed by staff.

AYES: Commissioners Huguenin, Leidigh, Hodson, and Chairman Johnson.

The motion passed 4-0.

Item #10 - Legislative Report. Staff: Government Affairs Director Whitney Barazoto, as submitted.

Item #11 - Litigation Report. Staff: General Counsel Scott Hallabrin, as submitted.

Item #12 - Executive Director’s Report. Staff: Executive Director Michael B. Salerno, as submitted.

Item #13 - Chairman’s Report. Chairman Ross Johnson.

Chairman Johnson asked that when the meeting adjourned, that it be in memory of “Bud” Carpenter (Richard Carpenter), who died last week at the age of 94.

Mr. Carpenter was one of the original members of this Commission, appointed by Jerry Brown in 1975. He also had a long and distinguished career with the League of Cities, since 1939.

Chairman Johnson reported that he and Commissioner Leidigh participated in a joint hearing with the Secretary of State’s office regarding the CalAccess electronic reporting of campaign statements.

He announced that the FPPC website currently reflects the new formal complaint process. He also announced that the FPPC toll free anonymous tip line is available now.

Chairman Johnson adjourned open session at 10:58 a.m. and stated that the Commission would immediately convene in closed session.

The Commission reconvened in open session, Chairman Johnson advised that no reportable action was taken in closed session, and he adjourned the meeting at 11:25 a.m.

Dated: October 19, 2007

Respectfully submitted,

Beth Manwaring
Commission Assistant

Approved by:

Ross Johnson
Chairman